

News focus

Energy issues challenge mindsets ...

The costs and security of energy supplies in the US and Europe, heightened over recent months, are forcing new thinking that may boost climate change measures. **Nigel Williams** reports.

Al Gore, the former US vice president, turned up in Cannes last month to promote his new documentary on the dangers of global warming, amid speculation that he may stage a political comeback on the basis of an issue which is increasingly dividing George Bush's administration and the Democrat opposition in the face of rising fuel prices. He arrived in France to showcase *An Inconvenient Truth*, a film that issues alarming predictions about the effects of global warming.

The rising cost globally of gasoline and gas from Russia in Europe is having the indirect effect of bolstering measures to tackle global warming. Rising fossil fuel prices are being seen as a key to future success for the EU's flagging scheme to trade carbon emissions and boost fuel efficiency through market means. In the US, where no such grand schemes exist, the hope is that the price rises will boost the home

production and consumption of biofuels, such as ethanol.

In a debate last month House Democrats said that the answer to the US's fuel crisis is growing in the fields of rural America, and they introduced bills to expand the production of ethanol. "We can grow new energy at home from American farms", said South Dakota Democrat, Stephanie Herseth.

Democrats on the rural working group introduced bills that call for doubling the percentage of renewable fuels, such as ethanol, sold in the US by 2012 and increasing the percentage of so-called 'flex-fuel' cars capable of running partly on ethanol.

The legislation would require that 75 per cent of all US cars be flex-fuel models by 2013. Flex-fuel cars would cost the same as regular cars, the Democrats said.

The bills also extend the tax credits for ethanol and biodiesel production through 2015 and

increase tax benefits to small ethanol producers. The legislation also boosts incentives for increasing the number of stations that pump ethanol and biodiesel and calls for greater investment in biofuel research.

The European emissions trading scheme was meant to be a market-based solution to the thorny problem of how to cut the amount of carbon dioxide being pumped into the atmosphere by some 12,000 big industrial polluters across the EU between 2005 and 2007 without driving those industries out of the EU or out of business. The European Commission claimed the scheme would halve the cost of meeting the bloc's Kyoto targets — to cut greenhouse gases by 8 per cent by 2008 — to 3.4 billion euros a year.

But last month the scheme was under fire for failing to deliver on the Kyoto commitments and handing big windfall gains to power generators through over-generous allowances. The theory was simple. Individual EU member states were told how much carbon dioxide they could emit. That was



Oil fields: There is a growing push in the US to grow and use its own biofuels. (Picture: Darron Cummings, AP/EMPICS.)



Powering the greenhouse: New efforts are likely to curb the biggest industrial producers of carbon dioxide such as the Drax power station in northern England. (Picture: Martin Bond, Science Photo Library.)

divided up among companies in those sectors covered by the scheme: power generators, steel, glass, cement, pulp and paper and ceramics. Businesses emitting more than their permitted levels of carbon dioxide can either buy other companies' unused carbon dioxide allocations, or face fines. Those reducing pollution could sell their unused permits. If more companies choose to over-pollute, the price of carbon permits would soar, raising the cost of bad behaviour and rewarding the virtuous.

Germany negotiated to produce 495m tonnes of carbon dioxide, but its companies emitted only 474m tonnes. France produced 131m tonnes, but had permits for 151m tonnes. Friends of the Earth climate campaigner, Germana Canzi, said; "Many governments gave away far too many pollution permits to their industries. They must now all urgently review their strategy for tackling climate change and ensure tougher targets are set on industry

pollution for the next phase of the scheme." And rising fuel prices are focusing new interest.

The scheme is also highlighting where most carbon dioxide emissions are occurring. In the UK, for example, more are produced by industry than by vehicles. Heating indoor spaces, which are often poorly insulated in the UK, is a major source of greenhouse gas emissions.

But whatever is happening in Europe, renewed US focus on the issues has been met with well-funded opposition. Adverts have been running, funded by the Competitive Enterprise Institute, about carbon dioxide. "They say it's pollution, we call it life", is the message, seeking to dismiss the impact of rising greenhouse gas levels.

But other media are also ramping up. The distinguished zoologist Sir David Attenborough, fronted two programmes by the BBC, shown last month, on the real evidence of global warming and its current impact on a range

of ecosystems. He argued the crucial need to change public attitudes and the urgent need for everyone to reduce their energy requirements, however small. "Just wear a pullover and turn the thermostat down," was one simple message that could, with sufficient uptake, begin to have significant impact.

European officials defended their trading scheme, however, blaming the mild winter in early 2005, soaring energy prices leading to reduced output, early use of clean technology and even the rain, promoting more hydro-power, for the fact that last year the amount of carbon emitted was 63.6m tonnes below the total allowance of 1.83bn tonnes.

Matthew Farrow, head of environment policy at the Confederation of British Industry, said that a lot of the emissions by the electricity generators were driven by the demand from households. He also said there should be equal pressure on households to take action too.